

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

<b>(1) DEPARTMENT</b> Planning and Building	<b>(2) MEETING DATE</b> 11/15/2011	<b>(3) CONTACT/PHONE</b> Jay Johnson (805)781-4573 jgjohnson@co.slo.ca.us	
<b>(4) SUBJECT</b> A request by San Luis Obispo County and the Primary Shandon Applicants of Fallingstar Homes, Inc. and Peck Ranch Entities to consider the Shandon Community Plan Update, including amendments to the Shandon-Carrizo Area Plan and the Official Maps of the County Land Use and Circulation Element, and the Community Planning Standards for Shandon in Article 9 of the County Land Use Ordinance. Supervisorial District: 1. Co. File Numbers: LRP2003-00004 and G030013M.			
<b>(5) RECOMMENDED ACTION</b> Consider the Planning Commission recommendation and take tentative action to: <ol style="list-style-type: none"> <li>1. Certify the Final Environmental Impact Report (FEIR) pursuant to the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et seq. based on the CEQA findings in attached Exhibit LRP2003-00004 and G030013M:F;</li> <li>2. Adopt the Shandon Community Plan and amendments to the Shandon-Carrizo Area Plan, Part II of the Land Use Element and Circulation Element of the General Plan; amendments to the Official Maps, Part III of the Land Use Element; and amendments to the Land Use Ordinance, Title 22 of the County Code, as shown in Exhibits LRP2003-0004 and G030013M:A, C, D, and E.</li> </ol> <p>Final action is to occur at a subsequent hearing.</p>			
<b>(6) FUNDING SOURCE(S)</b> The Primary Shandon Applicants, Dept. Budget, CDBG Revenue	<b>(7) CURRENT YEAR FINANCIAL IMPACT</b> \$0.00	<b>(8) ANNUAL FINANCIAL IMPACT</b> \$0.00	<b>(9) BUDGETED?</b> No
<b>(10) AGENDA PLACEMENT</b> <input type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input checked="" type="checkbox"/> Hearing (Time Est. _140 minutes) <input type="checkbox"/> Board Business			
<b>(11) EXECUTED DOCUMENTS</b> <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A		<b>(12) BUDGET ADJUSTMENT REQUIRED?</b> BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
<b>(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)</b>		<b>(14) W-9</b> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
<b>(15) LOCATION MAP</b> Attached	<b>(16) BUSINESS IMPACT STATEMENT?</b> Yes	<b>(17) AGENDA ITEM HISTORY</b> <input checked="" type="checkbox"/> N/A Date _____	
<b>(18) ADMINISTRATIVE OFFICE REVIEW</b>			
<b>(19) SUPERVISOR DISTRICT(S)</b> District 1 -			



## County of San Luis Obispo

TO: Board of Supervisors

FROM: Planning and Building / Jay Johnson  
(805)781-4573  
jgjohnson@co.slo.ca.us

DATE: 11/15/2011

SUBJECT: A request by San Luis Obispo County and the Primary Shandon Applicants of Fallingstar Homes, Inc. and Peck Ranch Entities to consider the Shandon Community Plan Update, including amendments to the Shandon-Carrizo Area Plan and the Official Maps of the County Land Use and Circulation Element, and the Community Planning Standards for Shandon in Article 9 of the County Land Use Ordinance. Supervisorial District: 1. Co. File Numbers: LRP2003-00004 and G030013M.

### **RECOMMENDATION**

Consider the Planning Commission recommendation and take tentative action to:

1. Certify the Final Environmental Impact Report (FEIR) pursuant to the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et seq. based on the CEQA findings in attached Exhibit LRP2003-00004 and G030013M:F;
2. Adopt the Shandon Community Plan and amendments to the Shandon-Carrizo Area Plan, Part II of the Land Use Element and Circulation Element of the General Plan; amendments to the Official Maps, Part III of the Land Use Element; and amendments to the Land Use Ordinance, Title 22 of the County Code, as shown in Exhibits LRP2003-0004 and G030013M:A, C, D, and E.

Final action is to occur at a subsequent hearing.

### **DISCUSSION**

#### **Summary**

On September 8, 2011, the Planning Commission unanimously recommended approval to your Board of Supervisors of the Draft Shandon Community Plan Update; the corresponding amendments to the Land Use Element, Circulation Element, and the Land Use Ordinance; and the FEIR for the Shandon Community Plan Update and San Juan Village (Fallingstar Phase I). The Planning Commission-Recommended Draft Plan and the Final EIR have been distributed to your Board and posted to the Department's website for public review.

The Community Plan establishes a vision and framework for the future orderly development of Shandon that is in harmony with the existing town and consistent with the goals and policies of the San Luis Obispo County General Plan, including the principles for Strategic Growth. One of the key aims of the Community Plan is to provide the opportunity for balanced residential, commercial and economic growth that will provide opportunities for people to live and work in Shandon.

The Community Plan and related amendments will put in place the goals, policies, programs, standards, and

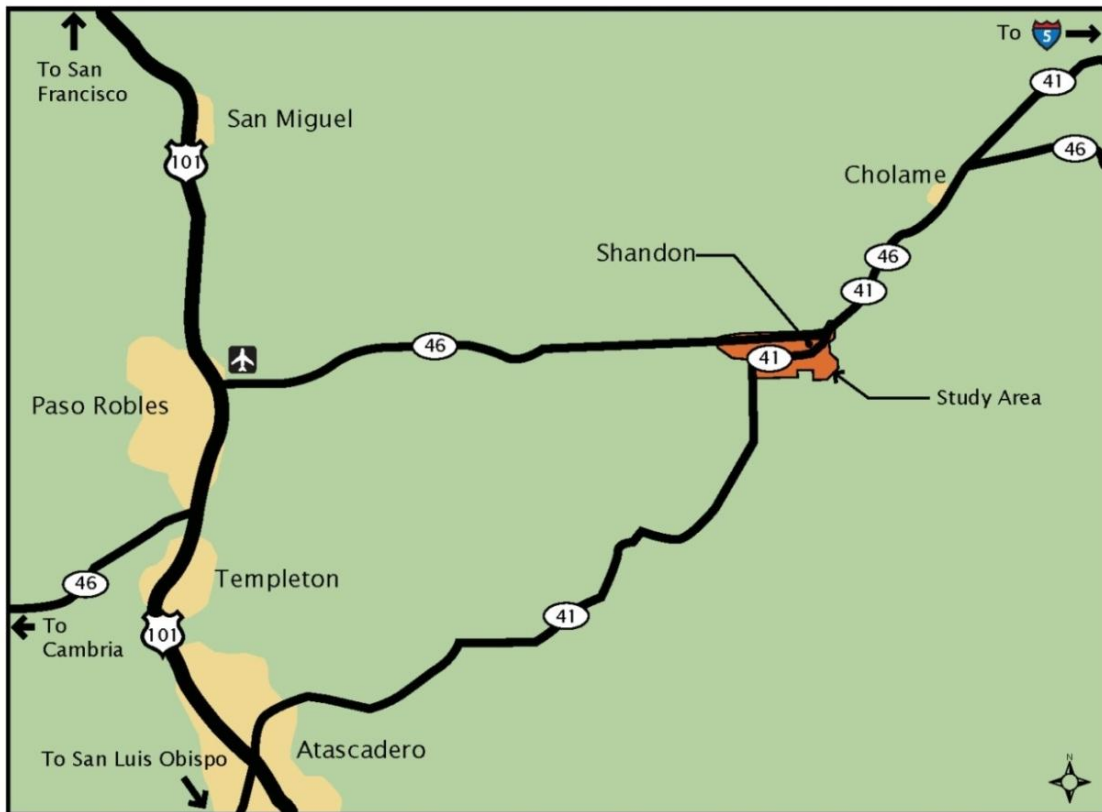
zoning needed to guide future land use, transportation and development so that Shandon can grow and prosper as a compact, walkable, rural community over the next 25 years. In addition, the Community Plan will:

- Provide opportunities for commercial uses and services desired by residents
- Provide a housing choices for a wide range of income levels, including opportunities for mixed-use development
- Provide new areas for commercial development and opportunities for employment
- Facilitate economic development and a vibrant downtown
- Enable most residential development to be located within convenient walking distance of key services
- Make available the use of contemporary water and energy-conserving practices
- Provide a circulation system that enhances the town's walkable quality
- Provide expanded recreational opportunities
- Maintain sensitivity to creeks, river, hillsides, and agricultural lands

### Setting

Shandon is located about 18 miles east of Paso Robles and is currently home to approximately 1,200 residents. The community lies at the confluence of Cholame Creek and San Juan Creek where they form the Estrella River and occupies close to 400 acres of land. The town is surrounded by agricultural lands, including vineyards, row crops, and dry-farmed grain fields. Enhancing the town's picturesque setting are its landmark trees and charming community park near the center of town. Shandon has an elementary school and a high school, a fire station, a post office, a library, a Caltrans corporate yard, as well as a few commercial uses, churches and other assembly buildings.

**Figure 1 – Regional Map**



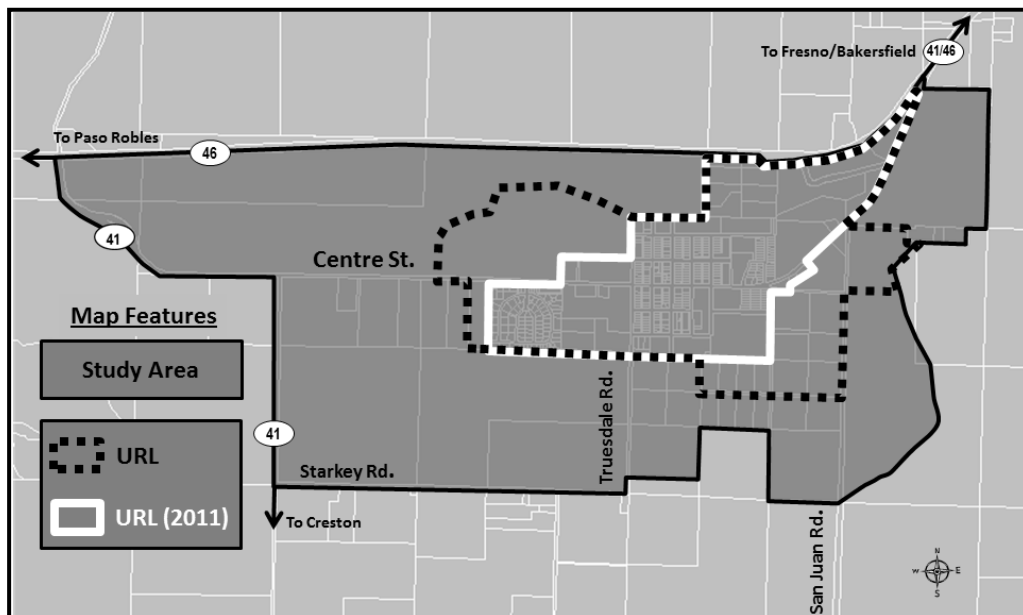
## Purpose and Intent

The Shandon Community Plan Update is a comprehensive, community-based plan and Environmental Impact Report (EIR) that covers about 400 acres within Shandon's existing Urban Reserve Line (URL) and approximately 1,700 acres adjacent to the town (see Figure 2 - Study Area Map). The Community Plan will guide future growth and development in and around the community of Shandon. It plans for an expansion of the existing urban area and potentially significant growth over a period of 25 years.

The Community Plan is being updated for several reasons:

1. The community plan has not been updated since 1981 as part of the County's Land Use Element. The current plan is outdated and needs to address both State and County land use policies, community desires, changes in growth patterns, and economic needs and trends. It also needs to provide opportunities for a wider range of housing types based on income levels consistent with policies in the Housing Element and in Framework for Planning of the Land Use Element.
2. The cost of updating the plan is being shared by the County and two major land owners (who are applicants for general plan changes that are being considered as part of this update) in a public-private partnership. This has resulted in a huge savings for taxpayers of up to \$900,000. The Plan, however, was prepared by the County and its consultants. All work was overseen by County staff.
3. Having an updated Community Plan also enables Shandon to be more competitive for State, Federal and private grant opportunities and for low interest loans for infrastructure, economic development and housing.

**Figure 2 – Study Area Map**



## Background

The Board of Supervisors authorized an update of the Shandon Community Plan in order to consolidate two privately-initiated general plan amendments along with a County-initiated comprehensive plan. The Board also approved a larger Study Area consisting of approximately 2,081 acres, as recommended by the Shandon Advisory Council (SAC).

Between September 2004 and May 2007, a Wastewater Collection, Treatment and Disposal Analysis (*Wallace Group, October 2004*), a Market Study for Shandon (*Mundie and Associates, November 2005*), and an Environmental Constraints Analysis for the Shandon Study Area (*Morro Group, July 2006*) were completed. In May 2007, the County entered into an agreement with the three "Primary Shandon Applicants" (Fallingstar Homes, Inc., the Peck Ranch Entities, and MZIRP, Inc.) to have the Community Plan and EIR prepared. In July and August 2007, County staff and the consulting team conducted a series of public meetings/workshops to provide residents, business and property owners the opportunity to share their vision for Shandon. The meetings were well attended. Attendees participated in a land use planning exercise that resulted in maps showing land use alternatives. They also completed a community survey and participated in exercises designed to identify desired amenities and visual preferences. The results of these workshops are summarized in the Planning Commission-Recommended Draft Plan. Also in 2007, the SAC endorsed the "Community Priorities for Shandon Development" (Appendix A of the Community Plan).

Prior to the start of work on the EIR in November 2008, MZIRP, Inc., one of the three Primary Shandon Applicants, withdrew from the project. The remaining Primary Shandon Applicants are Fallingstar Homes and the Peck Ranch Entities.

The EIR covers the Community Plan update at an overall "program level" and covers the San Juan Village (Fallingstar Homes) at the more detailed "project level." A Public Review Draft Plan was prepared using community preferences obtained from workshops and community surveys and was released in March 2010. The plan incorporated community priorities endorsed by the SAC. The County received 21 comment letters containing 479 comments on the Public Review Draft (please refer to Attachment 10).

After completion of the Public Facilities Financing Plan (PFFP), (Chapter 8) staff and the consultant made extensive revisions to the plan based on the comments received, and modified the content of the plan to account for the impacts and mitigation measures contained in the EIR. The Public Hearing Draft of the Community Plan was released on January 5, 2011.

After the Final EIR (FEIR) was completed in February 2011, the plan was revised again, based on direction received from the Planning Commission during its hearings that were held between March 10, 2011 and September 8, 2011. Those revisions resulted in the Planning Commission-Recommended Draft of the Shandon Community Plan Update, dated September 2011.

## **Major Issues for Board Consideration**

### Growth and Buildout

Historically, residential growth in Shandon has been slow, with the exception of two developments that were built on the east side of the San Juan Creek between 2001 and 2004. Commercial growth has been even slower. No new commercial building permits have been completed in Shandon since 1980. A key obstacle to commercial development and new residential subdivisions is the lack of a community wastewater treatment facility. Without a wastewater treatment facility, new residential lots must be at least one-half acre in size, and commercial development is limited to the ability to locate a septic system on site.

With adoption of the Community Plan and development of a community wastewater treatment facility, among other necessary infrastructure improvements, landowners would be able to propose smaller residential lots and more intensive commercial development without on-site septic systems. Growth would likely peak after the completion of critical infrastructure and it could increase substantially; however, it would not occur all at once. Depending on market conditions, it would be reasonable to see cyclical growth over the life of the plan. In addition, it is likely that new commercial development would lag behind residential development.

As with any land use plan, and in particular with this plan, economic conditions will dictate when residential development is able to commence, when there will be growth spurts, and when there will be commercial development. The plan, as recommended by the Planning Commission, could result in a population of about 5,260 people at buildout.

## Water

Water continues to be a critical issue in land use planning—in particular within the Paso Robles Groundwater Basin. Currently, Shandon's entire water needs are met by pumping groundwater in the immediate vicinity of Shandon. Domestic water supplies are provided by County Service Area No. 16 (CSA-16). A key supplemental water source is the State Water Project. The State Water pipeline passes through the east side of Shandon. Although CSA-16 holds an allocation for 100 acre-feet per year (afy) of the State Water Project supply, the 100 afy is to supply existing development only. Therefore, the Planning Commission determined that new development would need to *completely* off-set its water use. Natural Resources Policy number 8 in Chapter 4 of the Community Plan states:

*Maintain a sustainable water supply by encouraging water conservation, maximizing groundwater replenishment, using recycled water, seeking additional supplemental water, and offsetting new non-agricultural water demand.*

This policy would be implemented, in part, by the following Community Planning Standard (as found in Attachment 6).

6. **Groundwater offset.** New non-agricultural uses of groundwater shall be completely offset through one or more of the means listed below prior to issuance of construction permits for any of the following new development: 1) development resulting from new land divisions, 2) land use permits that result in greater than four (4) dwelling units, 3) development of more than 9,999 square feet of floor area for uses listed under the industry, manufacturing and processing land use group, 4) development of more than 2,499 square feet of floor area for uses listed under all other non-residential use groups. All criteria are cumulative for a single site. In determining the amount of groundwater to offset, the project's contribution to recharge from the wastewater treatment facility shall be taken into account.
  - a. Retrofit high-flow toilets and other plumbing fixtures within the Paso Robles Groundwater Basin with low-flow toilets and plumbing fixtures;
  - b. Participate in a county approved plumbing retrofit program for the Paso Robles Groundwater Basin;
  - c. Use the California Urban Water Conservation Council's (CUWCC) best management practices for water conservation;
  - d. Pay a "fair share" of the costs for delivering State water in excess of CSA-16's 2011 allocation of 100 acre-feet per year;
  - e. Participate in a county approved lot retirement program for the Paso Robles Groundwater Basin;
  - f. Participate in the County's Transfer of Development Credits (TDC) program pursuant to Chapter 22.24, provided eligible sending sites are located within the Paso Robles Groundwater Basin, and receiving sites shall not be eligible for a density bonus. The receiver site will receive credit for the water demand that the sending site would have otherwise used, if developed. The ground water off-set shall be determined at the same time the receiver site determination is made.
  - g. Participate in a county approved rural water conservation program that results in reducing groundwater pumping within the Paso Robles Groundwater Basin.
  - h. Participate in a county approved fee program that results in reducing groundwater pumping within the Paso Robles Groundwater Basin.

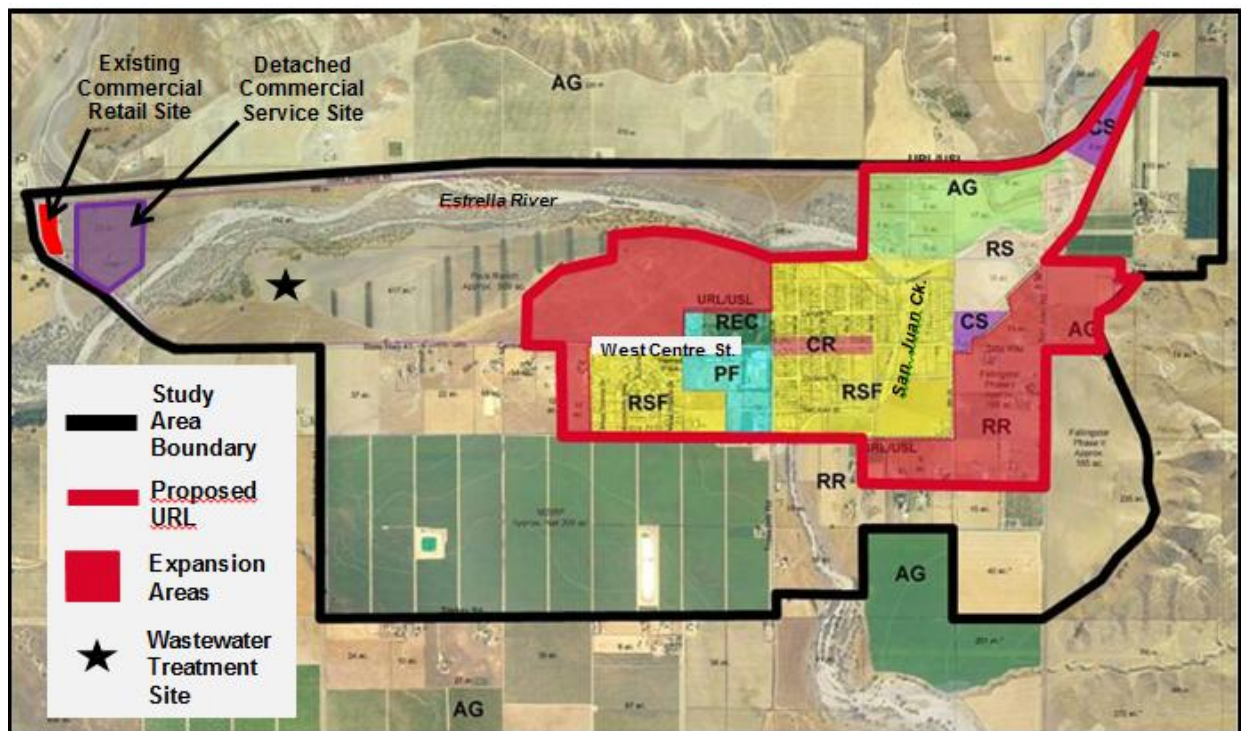
New development's cumulative water demand, at buildout, would be approximately 561 afy. Of that amount about 238 to 280 afy would return to the groundwater basin as recharge. Therefore, new development would need to cumulatively offset a total of approximately 281 to 323 afy at buildout.

The Planning Commission's recommendation is consistent with your Board's decision on February 1, 2011 to approve the Resource Capacity Study and certify a Level of Severity (LOS) III for the greater Paso Robles Groundwater Basin.

### Urban Expansion

The proposed URL adds about 230 acres of land to the 400 acres within the existing URL. The configuration of the proposed URL was derived from land use alternatives that were created as a result of the public workshops in 2007. The alternatives were subsequently refined through a design charrette process that involved the Primary Applicants and members of the SAC. The Planning Commission included an additional 12-acre parcel within the URL.

**Figure 3 – Urban Expansion Map**



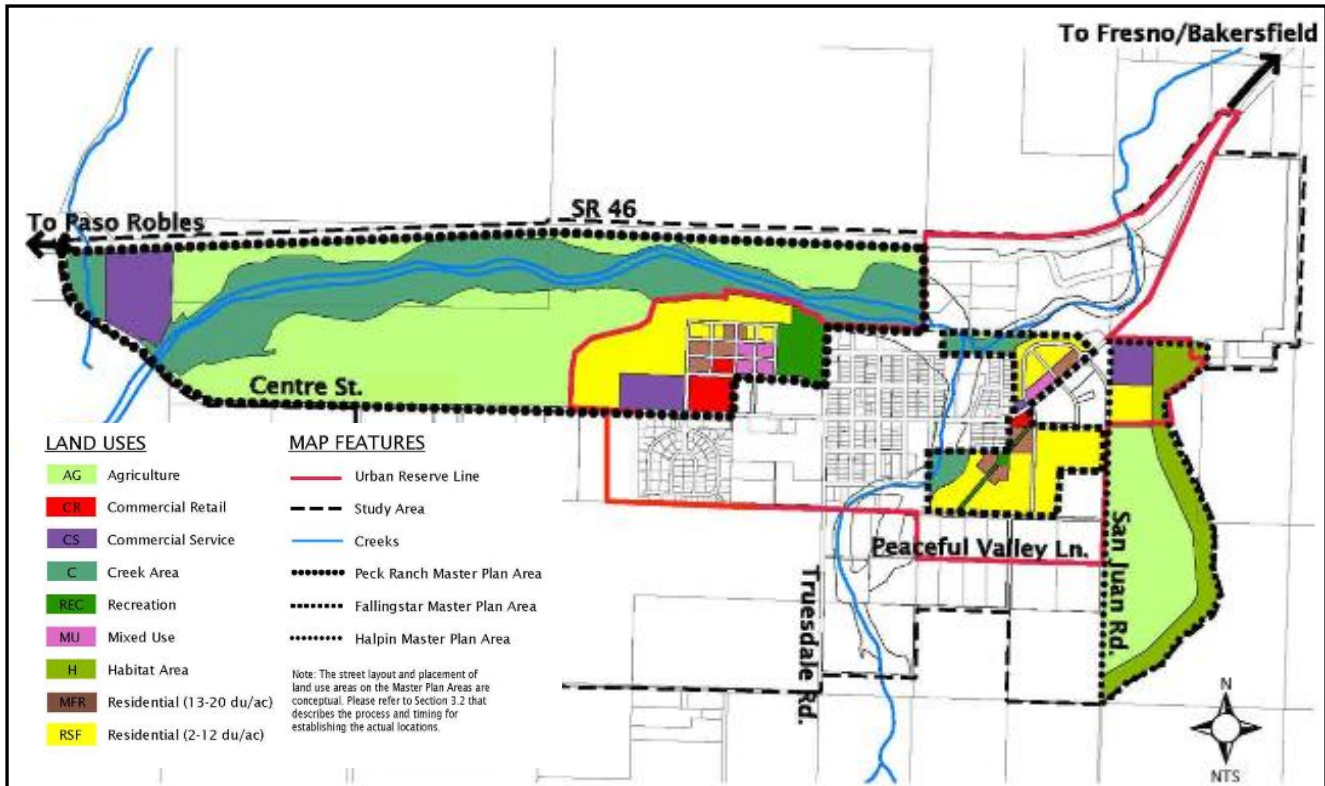
The built environment within the existing URL (including intervening vacant lots) occupies only about 185 of those 400 acres. The remainder of the acreage is located in creek areas, is included in the Agriculture or Residential Suburban land use categories, or is undeveloped land at the edge of the URL.

Two proposed expansion areas are adjacent to the existing URL on the west side of Shandon. One expansion area is adjacent to West Centre Street and includes property on the Peck Ranch—one of three Master Plan Areas identified in the plan (See Figure 4 – Master Plan Areas). The Peck Ranch expansion area contains approximately 98 acres. This site is currently under a Land Conservation Act Contract that is not due to expire until February 2015; therefore, it cannot be rezoned at this time and would be retained in the Agriculture land use category with adoption of the Community Plan.

The other expansion area on the west side of Shandon is a 12-acre parcel located on the south side of West Centre Street, opposite the Peck Ranch Master Plan Area. This parcel is currently included in the Agriculture land use category. Its category is proposed to be changed to Residential Suburban.



**Figure 4 – Master Plan Areas**



The third expansion area contains about 122 acres and is located on the east side of San Juan Creek. This expansion area includes the other two Master Plan Areas called Fallingstar and Halpin, together with 40 acres south of the existing URL on the north side of Peaceful Valley Lane. As with the Peck Ranch site, the Halpin Master Plan Area is currently under a Land Conservation Act Contract that is not due to expire until January 2013. It too would be retained in the Agriculture land use category. It is important to note that the Fallingstar Master Plan Area is mostly within the existing URL. Only 30 of its 86 acres are in the proposed expansion area east of San Juan Creek. While the expansion areas on the Peck Ranch and the Halpin site are currently in the Agriculture land use category, the expansion area on Fallingstar and the properties along Peaceful Valley are in the Residential Rural land use category under the existing General Plan.

Two features of the Community Plan are located outside of the proposed URL: the wastewater treatment plant site, and a detached Commercial Service site near the intersection of Highway 46 and West Centre Street. The Commercial Service site is proposed to be primarily for visitor-serving uses. It would replace the existing Commercial Retail zoning that is located on the corner of Highway 46 and West Centre Street in the rural portion of the Shandon-Carrizo Planning Area.

#### Conversion of Agricultural Land

Parcels within the existing Shandon URL have limited potential for residential subdivision or commercial development. This is primarily due the current lack of a wastewater treatment facility. Nearly all of agricultural lands adjacent to the existing Shandon Urban Area (and the land within the existing town, regardless of the land use category) are considered prime soils with the highest priority for protection. Therefore, the conversion of some agricultural land is needed in order to provide for a level of urban expansion that would support desired and needed businesses and services and employment, as well as a balanced mix of new residential and commercial development that is consistent with the County's Strategic Growth principles.



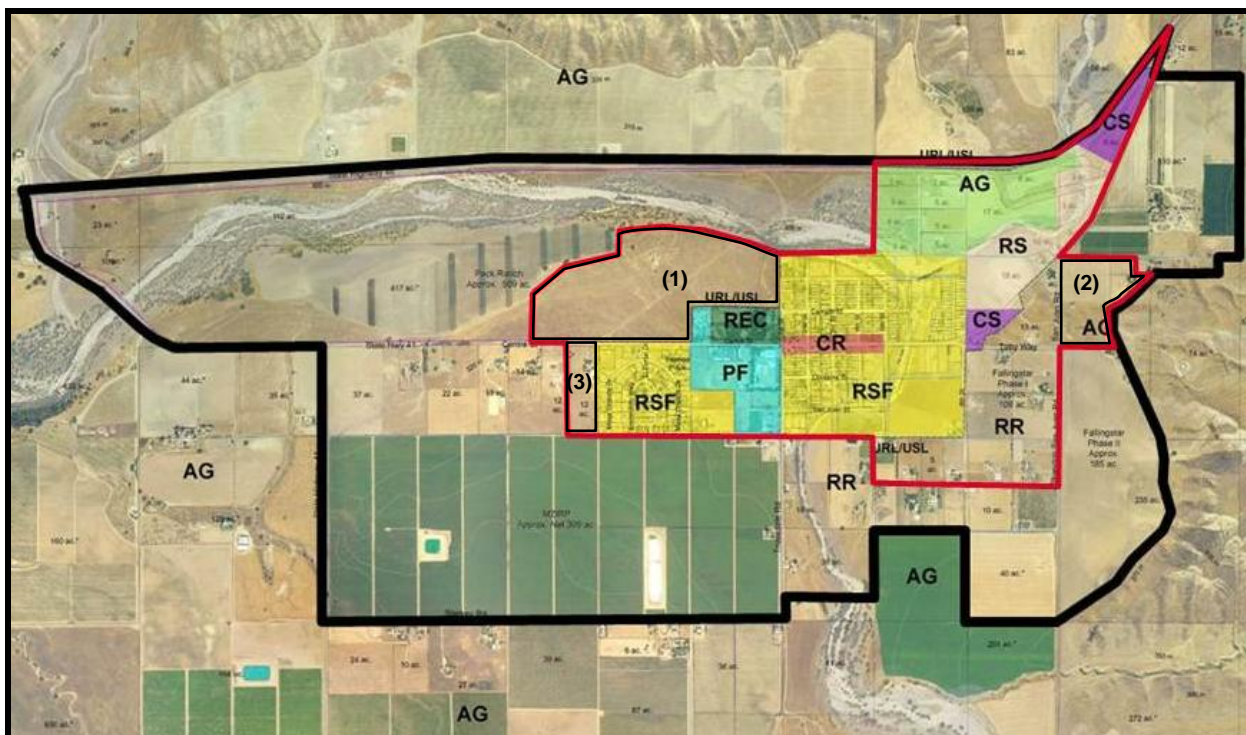
The County Agriculture Department was consulted during preparation of the Community Plan and provided testimony to the Planning Commission. The Planning Commission determined that it is more appropriate to convert land in the proposed expansion areas than other lands within the Study Area, because the agricultural uses on the expansion areas have typically been less intensive than other agricultural uses in the area (except in the case of the proposed wastewater treatment site). The agricultural uses in the expansion areas include: (1) land on the Peck Ranch Master Plan site adjacent to the park that has been used as grazing land, (2) the Halpin Master Plan area east of San Juan Road that has been planted in alfalfa from time-to-time, and (3) a 12-acre parcel that contains a rural residence and hay sales business.

Within the URL, there are approximately 60 acres of largely undeveloped, small, agriculturally-zoned parcels. However, these lots are north of the Estrella River and Cholame Creek, making access to this area impractical for significant new development.

The Study Area contains 936 acres of agricultural lands (land designated Agriculture by the Agriculture Element). However, under the Planning Commission-Recommended Draft, only 180 acres of agricultural lands (including the sewer treatment site and Commercial Service site near the intersection of West Centre Street and Highway 46) would be converted to non-agricultural uses.

Please refer to the discussion in the General Plan consistency section for the Agriculture Element in Attachment 8.

**Figure 4 – AG Conversion**



## Land Uses

Please refer to Figure 5 – Land Use Plan and Table 3.1 for the following land use discussion.

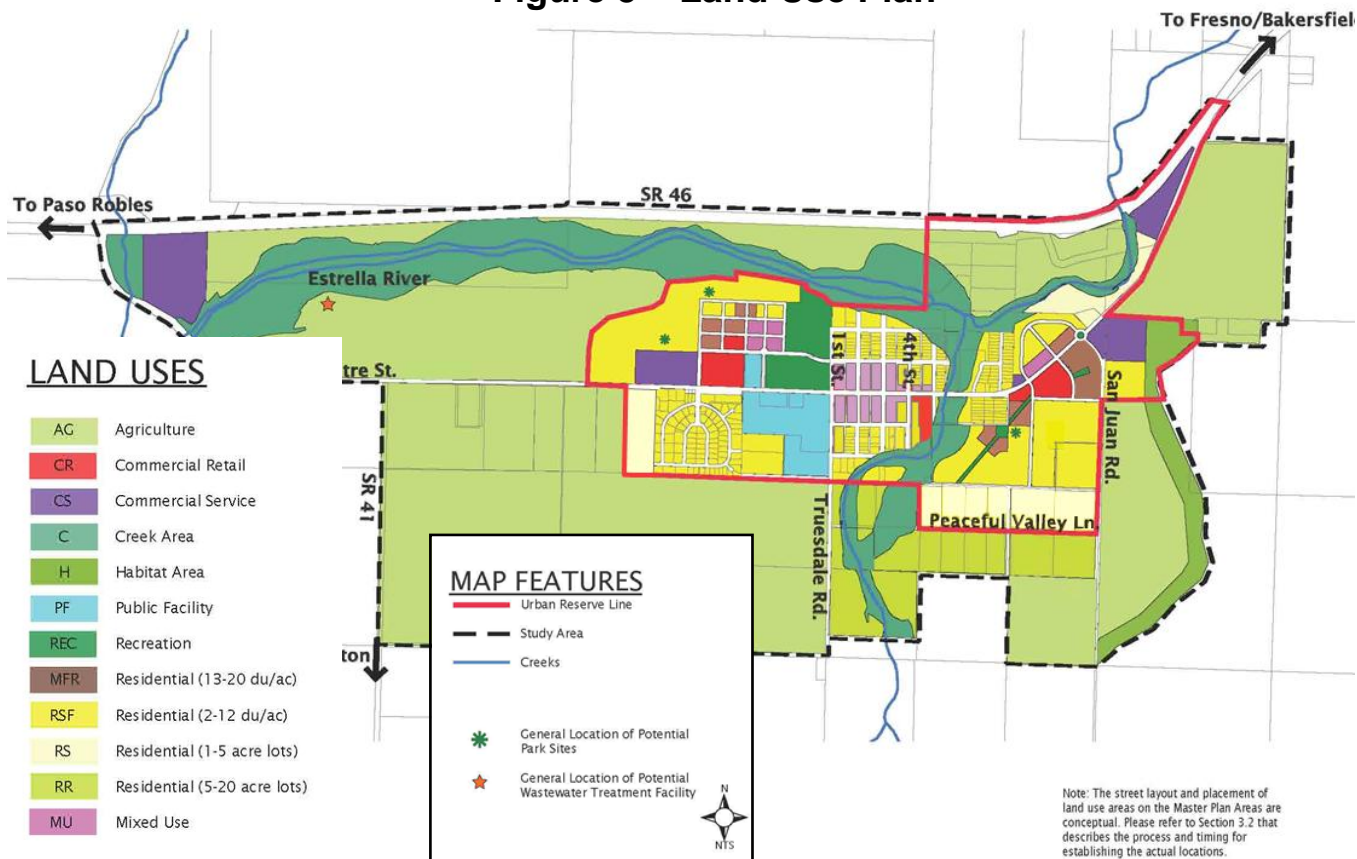
The Community Plan provides for a mix of residential and commercial land uses that would allow for residential, commercial and employment growth within the proposed URL without a need to expand for over 25 years.

The plan designates land for recreation. Recreation land includes the existing community park (11 acres on the northwest corner of Centre Street and First Street), an expansion area adjacent to the park, and additional areas east of San Juan Creek. In addition, the plan identifies general locations for potential new park sites.

Areas designated for wildlife habitat include the creek areas and a corridor along the easterly edge of the URL. These areas would remain as private property, with limitations on use as specified in the Community Planning Standards shown in Attachment 6.

The Public Facility designation covers the school sites, a Caltrans yard south of Centre Street and the fire station north of Centre Street.

**Figure 5 – Land Use Plan**



**Table 3.1: Land Use Summary**

Land Use	Acreage	Land Use Distribution	Units per Acre	Existing Units (2011)	Potential New Units	Total Population	Maximum Non-Res. Sq. Feet
Residential Suburban (RS)	57	2.7%	<1	4	53	194	–
Residential Single Family (RSF)	199	9.5%	4.8	288	665	3503	–
Residential Multi-Family (RMF)	20	1.0%	13.9	2	276	1017	–
Commercial Retail (CR)	22	1.1%	–	3	–	11	59,300
Commercial Service (CS)	60	2.9%	–	1	–	4	177,000
Mixed Use (MU)	17	0.8%	7.1	53	67	439	80,700
Public Facilities (PF)	35	1.7%	–	–	–	–	–
Recreation (REC)	29	1.4%	–	–	–	–	–
Creek (C) & Habitat (H)	345	16.6%	–	–	–	–	–
Residential Rural (RR)	73	3.5%	–	*			–
Agriculture (AG)	1040	50%	–	8*	17	92	–
Streets, Trails, etc.	184	8.8%	–	–	–	–	–
<b>TOTAL</b>	<b>2,081</b>	<b>100%</b>		<b>359</b>	<b>1,078</b>	<b>5,259</b>	<b>317,000</b>

#### *Residential Land Use*

Currently, there are about 359 dwellings in the proposed urban area. Although there is no multi-family zoning, four of the existing units are considered multi-family. Eight of the existing units are in the Agriculture land use category on the north side of the Estrella River.

The Community Plan allows for up to 1,079 new residential units, resulting in a total buildout of 1,437 units. Of those new residential units, 343 (32%) would be multi-family units located in the Multi-Family Residential (MFR) and Mixed-Use (MU) designations located in the Master Plan Areas.

In the areas designated MU in the Master Plan Areas, the maximum residential density is 10 units per acre, with residential units to be located on the second floor or at the rear of a commercial project. In addition, there are areas designated MU in existing neighborhoods north and south of Centre Street near the existing commercial core. These areas are intended to enable property owners to add commercial uses to existing neighborhoods developed at single-family densities.

Within the areas designated MFR, the overall density in this plan is 13.8 dwelling units per acre, which is consistent with an SAC recommendation for a maximum residential density of 14 units per acre. This provides opportunities for a range of housing types for people with a variety of income levels, consistent with the County's Strategic Growth principles and policies, while retaining a rural community character.

The SAC has expressed concerns about potential concentration of multi-family structures, and recommended that multi-family structures not exceed two attached units. In response, the plan includes a policy for multi-family development to be compatible with and blend into single-family neighborhoods. Long continuous rows or dormitory-style units should be avoided.

The overall density in Residential Single Family is 4.3 units per acre. This allows for standard lot sizes similar to the existing development, larger-lot development, and in some cases on portions of a project, smaller lots or duplexes, provided that the overall density is not exceeded.

### *Commercial Land Use*

The Community Plan includes three commercial land use designations: Commercial Retail (CR), Mixed Use (MU), and Commercial Service (CS). These designations are strategically located to serve the daily needs of Shandon residents by providing goods, services, entertainment, and employment opportunities. Commercial areas are located to complement each other and provide a variety of amenities to serve the community and surrounding area. In total, there are approximately 100 acres for commercial uses. Six acres are in the existing neighborhoods between First and Fourth Streets and could be converted from residential to mixed-use development only if proposed by the property owner. These properties may continue as residential uses indefinitely. The remaining 94 acres would be available for new commercial development.

As shown in Table 3.1, the Community Plan provides for a total of up to 317,000 square feet of floor area for new commercial development. In order to achieve a more compact urban form, the plan encourages floor area ratios consistent with those found in small downtowns rather than in suburban settings. Floor Area Ratio (FAR) is the ratio of building space to land area, and is an indicator of the intensity of development on a parcel. Please refer to Section 3.1.2 and Figure 3.1.3 in the Community Plan for a more detailed discussion of FAR. With the floor area ratios encouraged by the plan, the 94 acres of land in the commercial designations provides ample room for future expansion of commercial development to meet the community's future needs while maintaining some degree of competition in the commercial market. The result should be to avoid the need to "leap-frog" over residential areas when commercial expansion is needed, reducing pressure for future expansion into agricultural lands.

The CR and MU designations are broken into three "nodes" near Centre Street with the objective of attracting varying yet compatible retail uses. As the community grows, it is envisioned that the central node will expand as nearby residences in the MU areas transition to include commercial uses and as the expansion area north of the park develops. A western commercial "node" is located north and west of the fire station and an eastern "node" is located between 8th Street and San Juan Road. Uses such as markets that are dependent on larger parking lots should be located outside of the downtown area.

The Commercial Service areas are intended for business or commerce centers that will provide for head-of-household jobs. In addition, the Plan includes two gateway CS sites located near the intersections of Highway 46 with West Centre Street and East Centre Street. These sites could accommodate lodging, restaurants, service stations, a visitor's center, and agriculturally-related retail sales.

## Public Facility Financing

This is the first County plan of any kind to include a detailed plan for the funding and financing of proposed infrastructure and public facilities. The Public Facility Financing Plan (PFFP) is Chapter 8 of the Community Plan. The PFFP evaluates the ability of the expected development in Shandon to fund public facilities that would be needed to support the community as it grows according to the Community Plan. The PFFP identifies the total costs of key public facilities (circulation, water system improvements, a new sewer system, and storm drainage facilities) that would be needed to support the community through plan buildout. In addition, the PFFP distributes those costs according to a developer's "fair share" of the costs.

### *PFFP highlights*

- Key infrastructure facilities are to be provided up-front:
  - Improvements at Highway 46 and Centre Street
  - A new pedestrian bridge over San Juan Creek
  - A new community water tank
  - The first phase of a community sewer system
- Costs for existing development are minimized
- Impact fees would be used as reimbursement for previously constructed facilities
- The total cost of required public facilities is projected at \$54.2 million
- 44% of the costs cannot be tied to new development, leaving a significant funding gap
- 16 funding and financing methods are identified, consistent with the Board adopted Infrastructure Planning and Funding Policy, September 2010
- An example of bonding is included for a Mello-Roos Community Facilities District (one of the proposed financing methods)

## **General Plan Consistency**

Attachment 8 contains a detailed discussion of the Community Plan's consistency with applicable general plan principles and policies that are included in the following documents:

- Framework for Planning (Inland) – Land Use Element and Circulation Element
  - Strategic Growth Principles and Policies
  - Consideration of Village and Urban Expansion
  - Guidelines for Land Use category amendments
  - Land Use Category Purpose and Character Statements
- Policies for Public Services
- Agriculture Element
- Conservation and Open Space Element
- Economic Element
- Housing Element
- Noise Element
- Parks and Recreation Element
- Safety Element

The consistency analysis demonstrates that the proposed Shandon Community Plan achieves an overall consistency with the County General Plan. Determining consistency with the General Plan does not require that area plans and community plans, for example, adhere strictly to every single principle and policy of each of the General Plan elements. Instead, the principles and policies are used in determining the overall consistency of a project, amendment or planning document through a process of weighing their consistency against the various applicable principles and policies. It would be unrealistic to expect proposed projects, amendments or planning documents to be entirely consistent with each and every one of the 11 Strategic Growth principles, 50 Strategic Growth policies, and numerous other policies found in the eight General Plan elements listed above.

## **Final Environmental Impact Report (FEIR)**

The FEIR was transmitted to your Board under separate cover. The mitigation measures in the FEIR are included in Appendix D of the Community Plan, and Table 9.1 of the Community Plan summarizes their applicability to new development.

In order to certify the FEIR and approve the Community Plan Update, your Board must determine that 1) the FEIR has been prepared and completed in compliance with the California Environmental Quality Act, California Public Resources Code Section 21000 et seq., 2) your Board has reviewed and considered the information contained in the FEIR, and 3) the FEIR reflects the lead agency's independent judgment and analysis. The recommended CEQA findings of the County Environmental Coordinator for your adoption are contained in Attachment 7.

### **Community Planning Standards**

Community Planning Standards (planning area standards) are official standards in the Land Use Ordinance that apply to a particular community. The standards are requirements that are primarily used in the design and evaluation of development projects and land divisions. They address special conditions and help provide consistency throughout the community or within a particular land use category or combining designation. The Planning Commission-recommended Community Planning Standards for Shandon are contained in Attachment 6.

### **Official Maps**

The Official Maps are Part III of the Land Use Element and are on file in the Department of Planning and Building. They depict land use categories (zoning), combining designations, and circulation. They show the land use categories and combining designations for each parcel of land in the county, as well as streets, roads and highways that are classified as arterials and collectors. The proposed amendments to the Official Maps are contained in Attachment 5.

### **Shandon- Carrizo Area Plan**

The adoption of the Shandon Community Plan Update will require amending the Shandon-Carrizo Area Plan. The Area Plan contains information about the urban areas, villages, and rural area within the planning area. For example, the community of Shandon is discussed in the existing Shandon-Carrizo Area Plan. However, as community plans such as the Shandon Community Plan are adopted as stand-alone documents that are separate from the area plans, the respective area plans must be amended to reference the community plan, and to delete or revise the existing information and references about that community. In addition, the Shandon-Carrizo Area Plan needs to be amended to reflect proposals for two features outside of the Shandon URL: the detached commercial area at the intersection of Highway 46 and West Centre Street, and the sewer treatment plant site. Please refer to Attachment 4 to see the recommended amendments to the Area Plan.

### **Staff-Recommended Changes**

In consideration of the Planning Commission's action, staff proposes the following changes to the Shandon Community Plan to augment the Planning Commission's decision and make a correction to a staff omission.

In Chapter 2, Population and Economy, staff recommends updating the population statistics to reflect information from the 2010 Census or most current information available from the U.S. Census Bureau. The statistics for age distribution, male and female population, and ethnicity and race were derived from Census Bureau estimates rather than actual counts. Those estimates were from a one-year survey (2010) that has a high margin of error for small places. Staff has concerns about the validity of these statistics for Shandon. In addition, other County Planning documents do not report the specifics of these statistics, but instead provide an overall highlight of the population. Therefore, staff recommends deleting Table 2.2 – Age Distribution, Table – 2.3 Male/Female Population, and Table 2.4 – Race and Ethnic Composition, and amending the corresponding text as follows:

#### **Age Distribution**

~~Giving special consideration to the population's age distribution can aid the community in providing adequate services for each age group. For example, younger populations demand different recreational and housing needs than older populations. According to the 2010 U.S. Census, the two largest age groups in Shandon were 5-9 and~~



~~15-19. About 56% of the population was under the age of 35, while only 7% of the population was over 64.~~

The county as a whole has a large population of college students, with 10.1 % of the population between the ages of 20-24. Countywide, the second largest age group is 15-19. In 2010, a total of 45% of the county population was under the age of 35, and 15% was over the age of 64. Shandon differs from county age distribution trends, having a higher percentage of young families, and a lower percentage of elderly and retired people. See Table 2.2 below.

### **Ethnicity/Race**

~~The racial composition of Shandon is largely Caucasian, making up about 65% of the population (see note at the bottom of Table 2.4). Hispanics comprise 54% of the population, the second largest group, while Black/African American, American Indian or Native Alaskan, and Asian minority groups are less than three percent each. The compositional make-up of the county as a whole is predominantly Caucasian--over 82% is Caucasian--while only 21% of the population is Hispanic/Latino, and about six percent is Black/African American, American Indian or Native Alaskan, and Asian.~~

### **Population Highlights**

In general, Shandon has a younger population than the county as a whole, with a significantly lower percentage of senior citizens. According to the 2010 U.S. Census, about 42% of Shandon's population is under the age of 25, while only about 7% of the population is over the age of 64. For the county as a whole, these age groups represent about 34% and 15% of the population, respectively. The percentage of working-age residents (25 to 64 years old) is essentially the same as the county as a whole at about 51%. Knowing a community's age-distribution can aid the community in providing adequate services for the various age groups.

Revise Transportation and Circulation Policy numbers 2, 7 and 10 as follows:

TC-2      ~~Establish a network for alternative modes of transportation that makes walking and bicycling realistic alternatives. Where feasible, c~~Create multi-use equestrian, bicycle, and pedestrian and recreational paths, and where feasible, along and independent of existing and new roadways.

Combine TC-7 and TC-10 into one policy.

TC-7      Establish an interconnected circulation system between various land uses and neighborhoods within the community, discourage dead-end streets, and encourage through streets to help reduce vehicle miles traveled, minimize traffic congestion, and help minimize emergency response times.

~~TC-7      Establish an interconnected circulation system between various land uses and neighborhoods within the community, and discourage dead-end streets.~~

~~TC-10      Plan an interconnected street system to minimize emergency response times.~~

The FEIR not only analyzed the Community Plan on a program level, but it also analyzed the San Juan Village (Fallingstar Phase I) on a project level. The following mitigation measures apply to the San Juan Village project only and do not apply to the Community Plan. Therefore, these measures should be deleted from Appendix D and the corresponding reference in Table 9.1 of the Community Plan. This will remove potential confusion as to whether or not the measures apply to other future projects in the community. These mitigation measures will still exist in the FEIR. Therefore, when proposed development projects in the San Juan Village are considered in the future, the projects must be found consistent with the FEIR, and the applicable mitigation measures will be included as conditions of approval.

AQ-2(a)    Energy Efficiency and Emissions Reductions. The applicant shall increase building energy efficiency ratings by at least 20% above what is required by Title 24 requirements in both new residential and commercial developments. Potential energy consumption reduction measures include, but are not limited to:

- Use of photovoltaic solar panels or roof tiles to the extent feasible;
- Installation of efficient lighting and lighting control systems;
- Use of water efficient landscapes;

- Use of reclaimed water for landscape irrigation systems;
- Use green building materials(materials which are resource efficient, recycled and/or sustainable and available locally) to the extent feasible;
- Use roof material with a solar reflectance value meeting the EPA/DOE Energy Star® rating to reduce summer cooling needs;
- Use tankless water heaters or solar water heaters;
- Use built-in energy efficient appliances;
- Install low energy interior lighting;
- Use low energy street lights (i.e. sodium); and
- Install high efficiency or gas space heating;
- Use double-paned windows;
- Install door sweeps and weather stripping if more efficient doors and windows are not available; and,
- Use low energy traffic signals.

The following mitigation measures apply specifically to commercial developments.

- Provide on-site bicycle parking close to building entrances. One bicycle parking space for every 10 car parking spaces is considered appropriate;
- Provide on-site eating, refrigeration and food vending facilities to reduce lunchtime trips;
- Provide preferential carpool and vanpool parking;
- Provide shower and locker facilities to encourage employees to bike and/or walk to work, typically one shower and three lockers for every 25 employees.
- Provide interior and exterior storage areas for recyclables and green waste;
- Limit idling time for delivery and other commercial vehicles;
- and,
- Implement on-site circulation design elements in parking lots to reduce vehicle queuing and improve the pedestrian environment.

*Plan Requirements and Timing.* The applicant shall incorporate the listed provisions into development plans or shall submit proof of infeasibility prior to issuance of grading permits. Monitoring. Planning and Building shall site inspect to ensure development is in accordance with approved plans prior to occupancy clearance.

AQ-2(b) Shade Trees. Shade trees native to the Shandon area shall be planted to shade the southern exposure of on-site homes and structures, decreasing indoor temperatures and reducing energy demand for air conditioning. County Planning and Building shall review project landscaping plans for consistency with this mitigation measure. Commercial development shall include shade trees in parking lots to reduce evaporative emissions from parked vehicles.

*Plan Requirements and Timing.* The San Juan Village (Fallingstar Phase I) applicant shall incorporate the listed provision into development plans. Monitoring. Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved landscape plans.

AQ-2(c) Outdoor Electrical Outlets. All new homes shall be constructed with outdoor electrical outlets to encourage the use of electric appliances and tools.

*Plan Requirements and Timing.* The San Juan Village (Fallingstar Phase I) applicant shall incorporate the listed provision into development plans. Monitoring. Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved building plans.

AQ-2(d) Telecommuting. All new homes shall be constructed with internal wiring/cabling that allows telecommuting, teleconferencing, and telelearning to occur simultaneously in at least three locations in each home, unless otherwise demonstrated to be infeasible. This control measure seeks to reduce emissions by promoting telecommuting for any employee whose job can accommodate working from home.

Plan Requirements and Timing. The applicant shall incorporate the listed provision into development plans. Monitoring. Planning and Building shall conduct a site inspection to ensure development is in accordance with approved plans prior to occupancy clearance. Planning and Building staff shall verify installation in accordance with approved building plans.

AQ-2(e) Residential Wood Combustion. All new homes shall only be permitted to install SLOAPCD-approved wood burning devices, as applicable and in accordance with Rule 504. Approved devices include:

- All EPA-certified phase II wood burning devices;
- Catalytic wood burning devices which emit less than or equal to 4.1 grams per hour of particulate matter which are not EPA-certified but have been verified by a nationally-recognized testing lab;
- Non-catalytic wood burning devices which emit less than or equal to 7.5 grams per hour of particulate matter which are not EPA-certified but have been verified by a nationally-recognized testing lab;
- Pellet-fueled wood heaters; and
- Dedicated gas-fired fireplaces.

“Backyard” green waste burning shall be prohibited due to nuisance and negative health effects.

Plan Requirements and Timing. Wood burning devices shall be shown on development plans submitted to Planning and Building for review and approval prior to issuance of building permits, as applicable. Monitoring. Planning and Building shall review site plans for compliance prior to issuance of building permits. County inspector shall inspect site for installation of SLOAPCD-approved wood burning devices prior to occupancy of the structures.

AQ-2(f) Off-Site Mitigation Program. The applicant shall fund and/or implement off-site emission reduction measures to reduce ozone precursor and PM<sub>10</sub> emissions below thresholds to the extent feasible, as demonstrated by a qualified professional. Off-site emission reduction measures may include, but would not be limited to:

- Payment of in-lieu fees in accordance with SLOAPCD methodology and the State's current Carl Moyer Incentive Program Guidelines. Currently the program requires an in-lieu fee of \$16,000/ton in excess of the established threshold.
- Developing or improving park-and-ride lots;
- Retrofitting existing homes in the project area with APCD approved wood combustion devices;
- Retrofitting existing homes in the project area with energy efficient devices;
- Constructing satellite worksites;
- Funding a program to buy and scrap older, higher emission passenger and heavy-duty vehicles;
- Replacing/repowering transit buses;
- Replacing/repowering heavy-duty diesel school vehicles (i.e. bus, passenger or maintenance vehicles);
- Funding an electric lawn and garden equipment exchange program;
- Retrofitting or repowering heavy-duty construction equipment, or on-road vehicles;
- Repowering marine vessels;
- Repowering or contributing to funding clean diesel locomotive main or auxiliary engines;
- Installing bicycle racks on transit buses;

- Purchasing particulate filters or oxidation catalysts for local school buses, transit buses or construction fleets;
- Installing or contributing to funding alternative fueling infrastructure (i.e. fueling stations for CNG, LPG, conductive and inductive electric vehicle charging, etc.);
- Funding expansion of existing transit services;
- Funding public transit bus shelters;
- Subsidizing vanpool programs;
- Subsidizing transportation alternative incentive programs;
- Contributing to funding of new bike lanes;
- Installing bicycle storage facilities; and
- Providing assistance in the implementation of projects that are identified in County Bicycle Master Plan.

Plan Requirements and Timing. The applicant shall coordinate with Planning and Building to determine the appropriate off-site mitigation approach. Off-site mitigation should be provided prior to occupancy clearance. Monitoring. Planning and Building shall confirm that all applicable mitigation measures have been implemented such that emissions would be reduced to the extent feasible or payment of in-lieu fees has been received prior issuance to occupancy clearance.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

Public agencies that have been involved in the Community Plan Update include: County Public Works (with regard to circulation, water, wastewater, drainage, solid waste and recycling, and the PFFP), the Agricultural Commissioner's Office, Caltrans, SLOCOG, City of Paso Robles, APCD, Library, Sheriff, Cal Fire, Parks Division, Shandon Joint Unified School District, California Department of Fish and Game, US Fish and Wildlife Service, and the Regional Water Quality Control Board.

The Shandon Advisory Council (SAC) has been involved with community planning efforts well prior to the Board's authorization to process the Community Plan in 2004. The SAC helped to establish the Study Area boundary in 2004 and provided the County with the "Community Priorities for Shandon Development" in 2007 (Appendix A of the Community Plan). They participated in the public workshops, design charrettes and special community meetings throughout the planning process, and attended routine meetings that were held between County Staff and the Primary Shandon Applicants. Their monthly (occasionally twice a month) advisory council meetings were often used as a forum for presentations on the plan or EIR. At the time that this report was written, the SAC was scheduled to make a recommendation on the Planning Commission-Recommended Draft Plan at its meeting on November 2, 2011. Staff will report the SAC's recommendation to your Board at today's hearing.

### **BUSINESS IMPACT STATEMENT**

Adopting the Community Plan Update could ultimately result in positive effects on businesses included within the clusters identified in the San Luis Obispo County Clusters of Opportunity Economic Strategy. The Shandon Community Plan includes implementation programs designed to attract businesses to Shandon. If successfully implemented, the Community Plan could provide opportunities for:

- Employment in specialized manufacturing, agricultural and other businesses appropriate for Shandon.
- New retail and service businesses
- Tourist-related businesses facilitated by community enhancements
- A greater amount and variety of housing for various income levels, facilitated by expanded public services and infrastructure

The Plan could negatively affect the Building Design and Construction and other clusters through increased costs to construct new homes and businesses. This could occur, as the Plan estimates developer fees and other costs that would be needed to fund key infrastructure improvements, public services, and water supply and conservation measures.

## **FINANCIAL CONSIDERATIONS**

The Primary Shandon Applicants contributed \$935,000 and the County contributed \$100,000 (\$50,000 of which was CDBG revenue) for consultant costs for completing the Community Plan Update and the EIR. Staff time throughout the project has been funded by the Department budget. Other than staff time, there are no other current fiscal year financial impacts. Future financial impacts to the County could result from the implementation of community Plan programs that are found at the end of Chapters 2 through 8 and summarized in Table 9.2. However, before undertaking implementation programs, staff will bring them to your Board on a case-by-case basis and explain the financial considerations and potential mitigations.

## **RESULTS**

Adoption of the Shandon Community Plan Update will establish a separate Community Plan for Shandon. The Community Plan and related amendments will put in place the goals, policies, programs, standards, and zoning needed to guide future land use, transportation and development so that Shandon can grow and prosper as a compact, walkable, rural community over the next 25 years. The Community Plan will provide opportunities for:

- Commercial uses and services desired by residents
- Additional employment
- Increased economic activity
- A variety of housing choices for people of various income levels

Adopting the Shandon Community Plan Update enables Shandon to be more competitive for State, Federal and private grants and low interest loans for infrastructure, economic development and housing.

## **ATTACHMENTS**

1. Attachment 1 - Planning Commission Resolution
2. Attachments 2 and 3 - Clerk's File No. 1 cover
3. Attachment 4 - Amendment to the Shandon-Carrizo Area Plan
4. Attachment 5 - Amendments to the Official Maps
5. Attachment 6 - Community Planning Standards, amending the Land Use Ordinance
6. Attachment 7 - CEQA Findings
7. Attachment 8 - General Plan Consistency Analysis
8. Attachment 9 - Clerk's File Number 2 Cover, Planning Commission Record
9. Attachment 10 - Response to Comments Table and comment Letters
10. Attachment 11 - Correspondence

**Attachments on the department's website may be found at [www.sloplanning.org](http://www.sloplanning.org) under "News and Announcements".**